

EXHIBIT B

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

VUZIX CORPORATION,

Plaintiff,

– against –

RICARDO ANTONIO PEARSON a/k/a
RICHARD PEARSON,

Defendant.

Civil Action No. 19-_____

DECLARATION OF RICHARD J. PEARSON IN
SUPPORT OF NOTICE OF REMOVAL

RICHARD J. PEARSON, declares pursuant to 28 U.S.C. § 1746 and under penalty of perjury as follows:

1. My name is Richard J. Pearson. I am over the age of 18, and I have personal knowledge of the facts stated in this declaration. If called to testify, I would testify competently about the facts set forth herein. I am a private investor based in Los Angeles, California. I graduated from the University of Southern California in Los Angeles in 1997, with a degree in finance. Between 1997 and 2005, I was an investment banker for Deutsche Bank, stationed at various times in Hong Kong, London, and New York. I moved back to Los Angeles in 2005. Since 2005, I have spent the majority of my time between Los Angeles and China. I have not lived in New York since 2005.

2. I currently live in Los Angeles, California. I am a resident of the state of California and file California state tax returns accordingly. I have continuously maintained the same mailing address in the Marina del Rey area of Los Angeles since 2008.

3. At all relevant times, my website included a biography that included an email address on which I can be reached. My *Seeking Alpha* contributor profile states that I “spend[] [my] time living between Los Angeles and Beijing, China.”

4. I frequently travel internationally, but I am a tax resident of California and have continuously maintained a mailing address in Los Angeles, and treat California as my home, and currently intend to continue as such.

5. I do not currently reside in New York and have not resided in New York since 2005.

6. I do not live at 191 Broadway, Dobbs Ferry, New York. I have never lived at this address, and I do not know anyone who lives at this address. I also do not and have not lived at the following addresses: 3024 Kingsbridge Avenue, Bronx, NY; 14 Wainwright Avenue, Yonkers, NY; or 28 Whitman Street, Hastings on the Hudson, NY. I do not know anyone who lives at these addresses.

7. I publish investment analyses about publicly traded companies that are based in the United States and China. Since 2012, I have been publishing these analyses on my website, Moxreports.com. In the past, I have also published content—including the content at issue in this litigation—on the financial website *Seeking Alpha*.

8. My reports contain my professional investment opinions about publicly traded companies, typically where I have invested my own money. My reports include very detailed analysis and explanation for my investment views or decisions. My investment positions may be either long or short positions, depending on the conclusions I had reached from my analysis. I

disclose my investment position at the time I publish my reports, and the views expressed in my reports are consistent with my investment positions.

9. Publications including *Barron's*, *Reuters*, and *Bloomberg* have recognized me by name (“Richard Pearson” and “Rick Pearson”) for my published financial analyses, including significant recognition for the work I have done to expose fraudulent stock promotions. When I attended the 2019 Consumer Electronics Show in Las Vegas, I was given verified media credentials, which identify me as Richard Pearson, industry analyst for Moxreports in Marina del Rey, California.

10. During 2016 and 2017, the SEC announced the filing of federal fraud charges against more than 40 firms and individuals in connection with fraudulent stock promotions that had earlier been exposed by me in my reports. In addition, there have been many more instances of delistings, accounting restatements, and fraud investigations that came about after concerns I had expressed in my earlier analyses. This included a number of companies who had close business ties to Vuzix’s legal counsel Sichenzia Ross Ference LLP, which is representing Vuzix in this matter. Up until August 2018, and including at the time this matter was filed, Vuzix’s counsel was known by the name Sichenzia Ross Ference Kesner LLP.

11. The name Richard J. Pearson is my true legal name and is not an alias. At all times in my professional career, I have been identified as Richard Pearson or more informally as Rick Pearson. My bylines on my website *Moxreports.com* and on *Seeking Alpha* state that my name is Richard Pearson. My email address is rick.pearson@pearsoninvestment.com. My name is not—and never has been—Ricardo Antonio Pearson.

12. Until 2017, I occasionally used a very private Facebook page to communicate only with a small number of close friends and family. This private Facebook page included references

to comical nicknames for me used only among close friends and family. These nicknames included “Ricardo,” “Rico Suave,” and “Uncle Rico.” I have never used any of these names in any professional or legal environment or context.

13. In February 2017, I published a report on Cemtrex, Inc., expressing my concerns about fraudulent stock promotions and undisclosed share sales by Cemtrex insiders.¹ My report was published on both *Seeking Alpha* and Moxreports.com.

14. The concerns I expressed in the Cemtrex report and the analysis on which those concerns were based were consistent with numerous past reports I had published where dozens of the subject companies or individuals would later be indicted or investigated in federal securities fraud cases involving the SEC, FBI, or DOJ.

15. Consistent with my past practice, prior to releasing my Cemtrex report to the public, I filed a whistle-blower report with the SEC, detailing my concerns about fraudulent activity around Cemtrex. Similar reports filed by me in the past were later followed by federal fraud indictments against dozens of firms and individuals mentioned in those reports, including multiple companies and individuals with close business ties to the Sichenzia law firm.

16. Following my report on Cemtrex, the company issued a press release stating that “*Cemtrex Files \$170 Million Lawsuit against Richard Pearson, Seeking Alpha author, and Others for Trade Libel.*” However, the suit that Cemtrex actually filed—*Cemtrex, Inc. v. Ricardo Antonio Pearson*, Case No. 2:17-cv-01258-JS-AKT (E.D.N.Y.)—was against someone named “Ricardo Antonio Pearson,” who Cemtrex stated was living in Alameda, California.

17. My name is not Ricardo Antonio Pearson, and I have never lived in Alameda,

¹ A copy of that report is available at <https://seekingalpha.com/article/4048274-centrex-documents-photos-signs-point-deception-failure>.

California.

18. In fact, Centrex and its law firm Olshan Fromme knew who I was and how to find me. On May 31, 2017, a law clerk from Olshan Fromme contacted me under the pretense of seeking employment from me, and we spoke by phone for more than 30 minutes. I took that phone call from my Los Angeles phone number and from my office near Marina del Rey, and I informed the Olshan clerk of my location. The Olshan clerk made no mention of any lawsuit against anyone.

19. Five days after contacting me by email and phone, on June 5, 2017, Centrex filed to dismiss the “Ricardo” suit, stating in federal court: *“Despite making seven attempts, Centrex has been unable to serve defendant Ricardo Antonio Pearson within the 90 day time limit set forth in Rule 4(m). Given the uncertainty of successful service and the significant expenditure of time and money additional attempts at service will involve, Centrex wishes to focus its resources on defending the related putative securities class action litigation resulting from Pearson's false accusations. Centrex anticipates that it will prevail in the securities litigation, and reserves the right to re-file its claims against Pearson at that time.”*

20. I was never served with the Complaint in the Centrex matter, and I am not aware of any attempt to serve me in that matter.

21. Consistent with my concerns, in the 23 months since my Centrex report, the shares have declined by approximately 85%, from over \$5.00 to approximately 75 cents. In January 2019, Centrex received a delisting notice from the Nasdaq stock exchange.

22. Following the dismissal of the lawsuit *Centrex, Inc. v. Ricardo Antonio Pearson*, I deleted all pictures, comments, and links to friends and family on my Facebook page so as to avoid further intrusions into my personal life—including the harassment detailed below. However, I have preserved the underlying Facebook page itself as evidence.

23. Centrex and its management have close ties to Vuzix and its management by way of Santa Monica-based IRTH Communications, which both companies use for their “investor relations” activities. Both of my reports on Centrex and Vuzix cited the involvement of IRTH as one of the key reasons that I was concerned about fraudulent stock promotion. In addition to working for Centrex and Vuzix, IRTH founder Andrew Haag has worked closely with Vuzix’s law firm Sichenzia for more than 10 years, including with multiple companies or individuals charged with involvement in fraudulent stock promotions.

24. In 2015, I published a report expressing my concerns about fraudulent stock promotion behind Forcefield Energy.² My report was published on both *Seeking Alpha* and Moxreports.com. Forcefield categorically denied my findings and threatened legal action against me. However, just days after my report, the Chairman was arrested by the FBI at the airport as he was attempting to flee for Central America. Following the arrest of the Chairman, Forcefield’s stock quickly went to zero. Nine people were later charged with fraud by the DOJ. At the time of my 2015 report, the website for the Sichenzia law firm still showed a video of partners Greg Sichenzia and Jay Yamamoto attending Forcefield’s bell-ringing ceremony at the NASDAQ with Forcefield and its Chairman. After the Chairman was arrested, that video was deleted, but the text announcement can still be found on the website for the Sichenzia law firm.³

25. In 2014, I wrote two reports expressing my concerns about fraudulent stock promotions around Sichenzia clients Unilife Corp and Northwest Biotherapeutics.⁴ My reports

² A copy of that report is available at <https://seekingalpha.com/article/3071896-forcefield-energy-undisclosed-promotions-and-management-connections-to-past-frauds>.

³ A copy of the announcement is available at <https://srf.law/gregory-sichenzia-and-jay-yamamoto-attend-forcefield-energy-inc-closing-bell-ringing-ceremony-on-december-23-2013/>.

⁴ A copy of that report is available at <https://seekingalpha.com/article/2112373-behind-the-scenes-with-proactive-inovio-and-unilife>.

were published on both *Seeking Alpha* and Moxreports.com. Just prior to each of these reports, the Sichenzia law firm had provided the opinion letters on their prospectuses, allowing these companies to sell millions of dollars' worth of shares when the share prices were artificially inflated due to stock promotions.⁵ Subsequent to my reports, both of these companies faced SEC investigations and were ultimately delisted from the Nasdaq. Since the time of those Sichenzia opinion letters, the share prices of Unilife and Northwest have both fallen by around 95%, and both now trade for around 20 cents.

26. Beginning in 2014 and continuing into 2018, firms and individuals associated with Unilife and Northwest Bio have repeatedly contacted me by phone, by email, or in person in what I understood were attempts to threaten or intimidate me. Beginning in 2014 and continuing into 2018, this has included in person visits to the homes of my family members and their neighbors as well as explicit threats to continue doing so.

27. Although I have changed my phone number and even phone carrier multiple times, individuals associated with the Sichenzia law firm or their clients have had no trouble finding me. One of Sichenzia's largest individual clients, Barry Honig, has repeatedly located each of my new phone numbers and called me directly to confront me about reports or articles that were not published by me.

28. As is consistent with my past practices, prior to publicly releasing my report on Vuzix in March of 2019, I filed a formal whistle-blower report detailing my fraud concerns to the SEC.

29. On or around April 5, 2018, Vuzix filed its lawsuit against Ricardo Antonio

⁵ Further detail is set forth in my reports, which are available at <https://seekingalpha.com/article/1886091-the-big-picture-at-unilife> and <https://seekingalpha.com/article/2112373-behind-the-scenes-with-proactive-inovio-and-unilife>

Pearson. From the New York State court docket, I understand that Vuzix missed the August deadline for serving the complaint. I am not aware of any attempts to serve me with the complaint in this matter prior to the August deadline. I understand that on November 30, 2018, Vuzix sought permission from the court to serve me with the complaint against “Ricardo” via Seeking Alpha and via my email addresses, which I have publicly disclosed for many years.

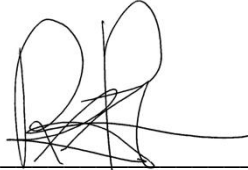
30. In October of 2018, I had registered to attend the LD Microcap conference near Santa Monica, California, which was scheduled to begin on December 4, 2018. The conference is heavily attended by clients of IRTH and Sichenzia, including both Cemtrex and Vuzix. I have been a regular attendee of this same conference for several years. I register under the name Rick Pearson, using my same email address, and I display my name badge while in the conference.

31. The New York State Court docket shows that Vuzix was granted the right to serve me by email effective as of December 4, 2018. However, I am not aware of any effort made by Vuzix to serve me during this conference.

32. It was not until a month later—on January 3, 2019, just three days before the kickoff of the CES conference in Las Vegas, that Vuzix finally served me with the complaint against “Ricardo” via email. Both Vuzix and Cemtrex were scheduled to present at CES. It was widely known that I would also be attending that conference as a member of the media. While attending CES, I displayed my media badge, which lists me as Richard Pearson, an Industry Analyst for Moxreports from Marina del Rey, CA.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 23 day of January, 2019

A handwritten signature in black ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

RICHARD J. PEARSON

Dated: January 23, 2019
Los Angeles, California